

Municipal Services Commission
Monthly Meeting
July 20, 2016, 4 p.m.
216 Chestnut Street
New Castle, Delaware

The meeting was called to order at 4 p.m. with Dr. Roy Sippel, Commissioner, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President
Daniel F. Knox, Commissioner
Hickman Rowland, Commissioner
Pamela A. Patone, Secretary

Staff in Attendance: Art Granger, Assistant Supervisor, Electric Department; Jay Guyer, Supervisor, Water Department; Mary Jane Stubbs, Business Manager/Treasurer
Staff Absent: Scott Blomquist, Supervisor, Electric Department

Minutes – Corrections noted. **A motion was made and seconded to approve the minutes of the 6/27/16 monthly meeting and the 6/27/16 executive session minutes as distributed. Motion approved by unanimous vote.**

Treasurer's Report – Treasurer Stubbs reporting

Treasurer Stubbs reported a total cash balance of \$2,738,664.96; PNC escrow and meter deposit total in the amount of \$800,845.56. Total operating cash balance is \$1,937,819.40. Total investments are \$1,061,112.13. Treasurer Stubbs reported that bank statements were reviewed by Ryan Jaeger. The checkbook register is attached to her report.

A motion was made and seconded to approve the disbursements as presented. Motion approved.
(Treasurer Stubbs was excused from the meeting.)

Electric Department Report – Mr. Granger reporting for Mr. Blomquist

See attached report.

Booker Circle – Mr. Granger reported that one of the electric crews was digging outside what was thought to be a safe area and found a gas line during the dig. However, no gas was detected. Delmarva Power (Delmarva) was called and found a scrap piece of pipe in the ditch. Delmarva marked where the gas line was located. One of the operators hit another gas line about six (6) inches from where Delmarva had the line marked. Delmarva repaired the pipe. Secretary Patone anticipates a bill will be received. We have received two bills to date involving MSC crews hitting gas lines. MSC disputed both bills based on Delmarva Power not marking lines properly. Delmarva has dropped one of the bills and we are still working on the second bill. The bill for the most recent issue will be MSC's responsibility because we were within an area where we should not have been. Mr. Granger commented that Booker Circle is a difficult project for Delmarva because they are working with paper maps. Consistently we have found their marks to be 2-3 feet off. He added that MISS UTILITY identifies 24 inches on either side of the mark as space where no equipment can be used.

Outage at 3rd and Delaware Streets -- Mr. Granger said that more cable is being ordered. Cable was ordered for Booker Circle and the produce stand that was used for this outage. Mr. Granger added that he can get cable quickly if an emergency should arise. Secretary Patone said that Mr. Blomquist is concerned that the type of cable involved with the outage was not consistent with the type used by his department. She said that Messrs. Blomquist and Granger will be developing a plan to address looping the cable to reduce the number of people impacted if an outage should occur and rerouting the cable.

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Secretary Patone reported that City Council President Linda Ratchford asked if pulling existing cable and rerunning it would affect the road paving being done on Delaware Street. Mr. Blomquist informed her there would be no impact.

Water Department – Jay Guyer reporting.

(See attached report.)

Water Main Distribution System – Secretary Patone informed that some of the staff reviewed the Echologics report and Mr. Guyer's work. The recommendation is to begin in Dobbinsville and eventually do relining. In addition, Secretary Patone confirmed we were aware of some of the information in the Echologics report, but we do not agree that all the mains have exceeded their useful life. Some of the physical testing confirms that is the case. It is not known how much useful life remains. We would like to apply for an innovative technology type of grant. The 3M product qualifies because it has not been utilized in the state.

Mr. Knox inquired about the expected life of cement lining. Mr. Guyer said he met with Dave Koger of J. Fletcher Creamer, one of the approved contractors who works with the 3M application (Scotch Coat 2400). It is Mr. Guyer's opinion that using Scotch Coat 2400 is a good application for MSC. In some cases it extends the life of some of the mains by an estimated 50 years. Cement mortar lining offers no structural integrity to the pipe. Mortar lining is being replaced by other technologies. Other utilities are moving towards using Scotch Coat 2400. He thinks cleaning and lining is a good application because we have limited breaks. He suggested using Scotch Coat 2400 in a pilot program in Dobbinsville and compare with the cement lining process to determine a path forward. Mr. Guyer noted the limited space under streets citing old and existing infrastructure when adding new water or sewer lines. He strongly encouraged a process when we have an existing line we could excavate at each end of the street, create an opening, clean and line it, and put it back into service. This process would give us an estimated additional 50 years of service. Secretary Patone said that working with Echologics helped us focus on the most sensitive areas.

Mr. Guyer has started work on a \$50,000 grant application that is due by 8/1/16. If we are awarded the grant it will provide assistance with the Dobbinsville project.

Wilmington Fibre, 700 Washington Street – This project was not included in the 7/20/16 Water Report. Mr. Guyer has received plans for the new fire vault. He will review and follow up with Wilmington Fibre to begin installation.

Water Quality Testing – Results on PFC contamination were received on 7/15/16. Updates—On 7/15/16 results were received. Mr. Guyer said they are now evaluating the results. There were issues with the results on the point of entry. We tested two layers on Vessel 1 to see how much carbon was consumed. Readings received on Vessel 1 at the 25% range and 75% range was well below the provisional health advisory that the U.S. Environmental Protection Agency established. The results for the point of entry showed we exceeded the health advisory. Mr. Guyer reported reaching out to Eurofins lab and questioning their process. QA/QC paperwork was reviewed. Eurofins has agreed to retest the duplicate samples that were sent to them. In addition, Mr. Guyer said Ed Hallock of the Office of Drinking Water was notified. Mr. Hallock supported the retesting process. We are doing a rush test on the samples using a different technician and results should be received in about one week. Mr. Guyer also contacted Artesian Water, however, they use a different lab. Secretary Patone informed that we are investigating different labs to use in the future. Mr. Guyer emailed the results to Mike Donoway at Calgon Carbon and they are sending the results to their Pittsburgh office. Mr. Donoway agreed the results were

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illogical. Mr. Guyer said that Mr. Hallock requested a copy of the report that details what we have done to date. No further action is needed at this time.

Mr. Guyer has put together some grant applications to actively pursue. We are optimistic and if we are successful we plan to present to the Commissioners for approval to accept those grants.

(With no further business to discuss, Mr. Granger and Supervisor Guyer were thanked and left the meeting.)

Financial Report Executive Summary – Secretary Patone reporting.

(For the period ending 6/30/16) – Secretary Patone reported total assets on the balance sheet of \$15,967,513. Cash decreased about \$196,000 from the month of May largely due to the line truck purchase. To date we have a deficit of about \$75,000; \$12,000 in water; \$63,000 in electric. Revenues and consumption continue to be down until late summer/early fall. Secretary Patone reported that compared to the budget the deficit is higher than what was budgeted. The deficit is about \$64,000 more because user charges are about 12% lower than what was budgeted. Water is down about 14% and electric is down about 7%. The latter is weather related. Expenses are on target with the budget.

Reconciled audited financial statements – Secretary Patone informed that the audit is close to being done. The last piece of information is pension disclosures. She is working with our actuary to get more information to do proper disclosures. Once that information is received Secretary Patone said the auditors can finish the audit.

In April 2016, before year-end entries were done, Secretary Patone reported about \$882,000 in net income. We currently show \$659,000 in net income. She explained that the difference is the pension adjustment of \$239,000, some private developer contributions that were not reported in April totaling \$22,500, and the remaining \$6,000 represent accounts payable invoices that were not received until after the April meeting.

Budget vs. actual operating – Secretary Patone plans to get this information to commissioners on a quarterly basis. The report shows every capital project going on in the City. The report shows the approved total capital amount, actual as of 6/30/16, and the remaining balance left on each capital budget. None of the capital projects are over budget. (A 'negative' figure means there are still funds available for the respective project.) Secretary Patone reported that the solar project is complete and a check was received from DEMEC. Another smaller check is expected soon. She said we were able to reimburse ourselves \$76,000 in internal labor because the green energy fund allows for labor to be reimbursed. The line truck estimate is \$250,000, but the amount of \$226,000 is shown. We have to put equipment on the truck. Some equipment is already attached to the truck while more equipment needs to be added. We have discussed taking tools from the former truck. Secretary Patone said we will make sure that any tools purchased are not recorded with the truck.

Booker Circle – Secretary Patone informed we are less than half way through this project. We are pushing to get it done by end of this year.

The quote from Brandywine Construction for replacing the main on Clark Street will not be done. After the Echologics report was received it was decided to pursue 3M lining instead of replacement. We plan on using 3M throughout Dobbinsville. Brandywine Construction has been notified.

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Accounting and Billing Software – Secretary Patone reminded commissioners they approved \$111,000 last month for accounting and billing software. The total estimated budget for the entire project is \$150,000. DTI has submitted a quote of \$16,000 for a dedicated server for the software. Secretary Patone prefers not to share a server with the City. The server will be located in the MSC building at Municipal Boulevard. It is an air conditioned building. She informed that we do backups for all servers and keep them in our building. Mr. Guyer has reviewed the quote of \$15,619; \$13,000 for hardware and \$2,600 in labor, and finds it to be reasonable.

Secretary's Report – Secretary Patone reporting.

DEMEC -- President Sippel and Secretary Patone attended the DEMEC meeting held on 7/19/16. The DEMEC Audit Committee and Committee Chair Pamela Patone requested that all relevant financial transactions addressed during executive session be shared with the Audit Committee. There is one member of the Audit Committee who is not a Board member. Staff consulted with its counsel for a ruling. Attorney Max Walton agreed that executive session business can be shared with a non-Board member.

Secretary Patone said that staff informed that PJM had identified a hot spot in the ring bus in the town of Smyrna. The hot spot resulted in outages in Smyrna on 7/18/16, one lasting about 45 minutes. The town of Smyrna asked DEMEC to bring up the Beasley units and have them idle so Smyrna could run off the Beasley while Delmarva worked on the ring bus.

Substations in Seaford – The City of Seaford is going to their City Council to request approval for two substations at a cost of \$9 million. The city plans on building a new substation and replacing an older one completely, replace distribution lines, and tie in with Delmarva Power. They plan on getting funding through DEMEC because the rates are better.

There have been several staff changes at the Public Service Commission since 2008. Vice President Kimberly Schlichting has been familiarizing herself with the staff and making sure they know about DEMEC and how it operates.

Middletown project – DEMEC staff provided an update. The town of Middletown is trying to get an idea of final costs from Delmarva Power. At a previous Commission meeting it was reported that DEMEC received a FOIA request for the Middletown Technical Center. That request has been satisfied and no further requests have been received.

Secretary Patone informed that Max Walton of Connolly Gallagher, LLP has joined DEMEC as general counsel. The remaining items will be discussed in executive session.

OLD BUSINESS

City Negotiations & Charter Change – Secretary Patone reported that the Charter Change was signed by Governor Markell on 7/11/2016.

Free City Services – Secretary Patone provided Commissioners with a list of groups and dates indicating when free electric and/or water services began. The report goes back to 3/31/2006. She said that research was limited and that some of the dates could go back farther than the dates shown. Secretary Patone has been in contact with our rate consultant, Mark Beauchamp, who has sent her his detailed opinion letter about free services to nonprofits. Mr. Beauchamp indicated that the practice of providing free electric and/or free water to nonprofits is very unusual. He further stated the practice could be a

potential violation for bond covenants. Secretary Patone noted this is the reason given by other municipalities for not providing free services. Mr. Beauchamp believes the Commission should discontinue the practice of providing any free service. Even without bond covenants Mr. Beauchamp cited fairness to other rate payers. In his opinion letter he states, "in addition for your discounted service results in higher electric rates for all other rate payers of the utility to make up for the subsidy provided to not for profits. This subsequently results in a fairness issue and could subject the utility to criticism from other rate payers."

Secretary Patone stated that our bond with DEMEC indicates that we cannot provide free service exceeding one (1) percent of our total. We are just under that amount at this time. She has looked at grants and some of those grants will not allow any free service. Continuing the practice could present problems with some grants in the future.

Commissioners said there is no rationale for continuing with the practice of providing free services. Secretary Patone is still looking for an executed agreement for Immanuel Church. If an executed document is found we would need to honor it. The agreement with the church dates to 1957 and includes MSC receiving a parcel of land in exchange for the free services. According to Secretary Patone, the Trustees of the New Castle Common (Trustees) have a business transaction where MSC currently receives usage of land without a charge and for the Trustees to have accounts that are not charged for electric and water.

Going forward, Secretary Patone thinks that MSC should notify nonprofits receiving free electric and/or water that those services will be discontinued on 1/1/2017, or some other agreed upon date. She will speak with Dan McCollom about assistance in locating the executed document for Immanuel Church.

Mr. Sippel said we can negotiate with the Trustees. We can refer to Mr. Beauchamp's opinion letter to help explain our discontinuance of free service.

Commissioners briefly discussed the impact of paying for electric and water would have on the groups listed.

Public fire protection – Secretary Patone said there is a flat amount charged depending on the size service provided at a given location. A flat amount for water is a challenge. It is difficult to rationalize why nonprofits do not pay for the service versus other commercial accounts that must pay for the service.

Mr. Sippel suggested Secretary Patone make initial contact with all of the nonprofits receiving free services and then discuss with commissioners. He added there is no factual reason why we should continue to provide free electric and/or water service to nonprofits in the city. Secretary Patone thinks we need to discuss concerns with the President of the Trustees and report back to commissioners.

Mr. Knox questioned the accuracy of the amount of \$2,300 for annual water service at the Old Library (New Castle Historical Society). Secretary Patone said the amount is a calculation of the water consumption and the monthly charges. She will check the meter. They do not receive a bill.

Mr. Sippel wonders how much information should be shared with Mayor Reese, City Council President Ratchford and City Administrator Barthel so they are not caught off guard if constituents complain when notice of services being discontinued is known. Secretary Patone will reach out to them to discuss.

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Leases – Secretary Patone informed that City Administrator Barthel was unable to get approval at this month's meeting because one Council member did not receive the leases in advance to review. The City Solicitor reminded that he had been working and reviewing with MSC's counsel, Dan McCollom, and that it was fully vetted. Secretary Patone anticipates they will be addressed at their next meeting.

The Trustees of New Castle Common Bill of Sale – Secretary Patone said we are waiting until the charter and leases for this location are finalized.

Riverbend/Parkway Gravel – Secretary Patone provided a document that she and Mr. McCollom worked on providing suggested changes. She is seeking input from Messrs. Blomquist and Guyer also. Secretary Patone wants Messrs. Blomquist and Guyer to assist in preparing a one-page diagram showing the loop in front of the Dobbinsville substation to the PMH-9 (the first section) and then looping all the way to Centerpoint for electric and water. Secretary Patone wants to be clear that this is for the infrastructure that finishes the loop and puts in permanent electric feed in the first section and eliminates the temporary electric feed.

Cecil Bank Update – Secretary Patone reached out to Cecil Bank to learn their status with potential buyers. Cecil Bank requested a meeting with the Commission to get an understanding of lot sizes and getting more conformity with lot sizes. Schell Brothers has expressed interest in Riverbend and attended the meeting at the invitation of Cecil Bank. City Administrator Barthel and City Building Inspector Jeff Bergstrom were invited to attend the meeting. Mr. Bergstrom made sure Schell Brothers was aware of all the restrictions on materials and that it is a 55 and over community. Electric and water infrastructure were also discussed. Schell Brothers and Cecil Bank are receptive to working together with Parkway Gravel. Secretary Patone said that wording in the document makes it clear that electric and water is not being provided to each lot. She believes that Schell Brothers would prefer a fixed amount as opposed to increased costs. The current proposal says that if costs increase more than what was estimated then the owners would bear the cost. Secretary Patone said that timing is at the Commission's discretion based on building and sales. The permanent feed needs to be put in first followed by removing the temporary feed. Completion of the loops would depend on activity at Riverbend.

In concept commissioners authorized Secretary Patone to present the draft proposal for discussion purposes to Cecil Bank and Parkway Gravel to get their feedback. The diagram still needs to be developed and provided with the proposal.

OLD BUSINESS

Bucket Truck – Commissioners discussed selling the bucket truck to the City. The City would bear the cost of maintenance, estimated to be about \$10,000. Secretary Patone said that Mr. Blomquist would maintain oversight over maintenance. In accordance with the agreement, the Commission would utilize the bucket truck as needed. Secretary Patone informed the Electric Department is getting quotes for a new bucket truck. **Mr. Rowland made a motion to sell the bucket truck to the City at a cost of \$1. Mr. Knox seconded the motion. Motion was approved by unanimous vote.**

Commissioners moved into executive session at 5:45 p.m. At 5:55 p.m. regular session was reconvened.

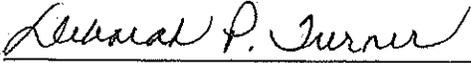
Next Meeting

Commissioners set the next monthly Board meeting to be 8/29/16 at the office of the Commission, 216 Chestnut Street, New Castle, Delaware.

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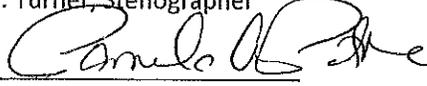
ADJOURNMENT

A motion was made and seconded to adjourn the meeting. Motion received unanimous approval.
The meeting adjourned at 6:01 p.m.



Deborah P. Turner, Stenographer

Approved:


(Minutes transcribed from recording.)

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CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

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Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

ELECTRIC DEPARTMENT COMMISSION REPORT

July 20, 2016

Prepared by Scott Blomquist on July 8, 2016

1. **Projects:**

a. **Riverbend:**

I. There has been no contact with the Electric Department over the last month.

b. **2, 4, and 8 Meehan:**

I. We are waiting for Rocky to start construction at 2 and 4 Meehan.

c. **224 and 226 East 2nd Street**

I. The water department had an issue with the water service that feeds this location. They made the corrections to the service but we still need to patch the road.

d. **Farm Stand Electric Service:**

I. The new service to the Farm Stand is energized. Supervisor Blomquist is working with Delmarva Power to get the existing electric feed disconnected and removed.

e. **Riverwalk Apartments:**

I. There has been no contact with Blake and Vaughn about the electric services to this location.

II. Supervisor Blomquist received a voice message from Ryan Bailey of Penrose Property Management about this location. Ryan was asking if there were any incentives for solar or wind that I was aware of from the MSC. It is their belief that his location would be a good candidate for either alternative energy solutions. Supervisor Blomquist returned his call and left a message stating that the MSC doesn't offer any incentives at this time.

2. **Capital Projects:**

a. **Booker Circle:**

I. The Electric Department continues to work on this project.

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3. Capital Purchases:

a. Line Truck:

- I. The old line truck we intend to bring it to the JJ Kane sale in August.

4. Operations:

a. Outages :

1. We have had 4 outages over the last month.

- I. At Jacquette Square we had a pole come down that had a transformer on it. There were 14 customers affected by this outage. 5 customers were out for a total of 7 hours while the pole was being replaced. 9 customers were out for 2 hours while we came and reenergized to an open point.
- II. In Vandyke we had a big limb come out of a tree and take the primary down. We had 66 customers out for 3 hours while repairs were made.
- III. At Hyder Alley we had 4 customers out for .5 hours when we had a squirrel blow the fuse at a transformer.
- IV. We had a pole get hit at the 1200 block of Wilmington road. The pole was broken off at ground level. No customers were out as the lines held the pole in a vertical position. The pole was changed out and we are waiting on a police report so we can get reimbursed by the insurance company.
- V. On Saturday July 9th we had an outage at 3rd and Delaware. The underground primary cable failed on the riser pole. The electric and water crews worked together to replace the cable. This type of cable is not our standard cable and was installed for the movie in the late 80's. This type of cable is known to have failures if not installed properly. We are in the process of investigating how we can loop feed this area. We do not have an exact number of customers effected yet. The outage was from 11:30 AM to 8:30 PM.

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Supervisor Blomquist would like to thank the water department for their help during the outage.

2. 7/1/15 – 7/1/16

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
10.19	0.09	106	99.998

S

SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

5. **Repairs and Maintenance:**

a. **System:**

I. Vandyke Village:

i. There is nothing to update on this project.

b. **Wilmington Road Substation:**

I. There is nothing to update for this location.

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c. Dobbinsville Substation:

- I. The Relay Testing for this location is scheduled for September.

d. Metering:

- I. We are waiting for the two meters we sent back to Itron to be reconfigured and sent back to us. When we have them we will install them in parallel to the existing meters and correct the billing.

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Water Department Commission Meeting Report

July 20, 2016

Prepared By: Jay Guyer on July 15, 2016

1. Projects

A. Riverbend Subdivision

1. The water system in Riverbend was flushed on June 17th and July 11th to maintain the required 0.3 ppm of Chlorine Residual.

B. Riverbend Subdivision

1. GM Patone has been working with MSC's attorney on this project in reference to the development of the 34 lots owned by Parkway Gravel.
2. Supervisor Guyer, GM Patone, City Administrator Barthel and City Building Official Bergstrom met with representatives of Cecil Bank and Schell Builders to discuss the water and electric issues within the subdivision. Overall the meeting went well with Cecil Bank and Schell Brothers agreeing to follow up with GM Patone on how they plan to proceed.

C. Seeds of Greatness Church – 828 Frenchtown Road

1. The contractor performing the remedial work in Operational Unit 2 (OU2) removing the remaining debris and placing a marker fabric with fill dirt on top of it has completed their work. Cirillo Brothers started work on the parking lot filling and grading. Supervisor Guyer will follow up with Bob Schulte of DNREC in reference to copies of all remediation documents for our records.

D. Water Metering

1. Water Operator completed meter reads on July 12th and followed up on water check reads as needed for the month. High/low/zero consumption reads were addressed with customers and missed reads collected. Water meters / ERT's that are not being read by the mobile reading system were identified and will be reviewed for replacement
2. Supervisor Guyer and Assistant Supervisor Jaeger continue to review the options and capabilities of the new Encoder Technology Registers with 100W ERT's to get hourly read data from the units. Supervisor Guyer is working on updating the MVRS Software from version 8.5 to 8.7 to get the full capabilities out of the units.

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Water Department Commission Meeting Report

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Prepared By: Jay Guyer on July 15, 2016

E. Water Main Distribution System

1. Supervisor Guyer and Assistant Supervisor Jaeger are preparing a Summary for the Echologics report, MME Laboratory Report, and the Ductile Iron Pipe Research Foundation that outlines a path forward for the Commission utilizing the technologies to address our aging infrastructure.
2. RT – 9 Water Main Project is complete. A-Del continues working on the curbs, gutters, catch basins, and sidewalk repairs from Washington Street to Clymer Street. Guardian Construction continues working on the gas main renewal for Delmarva Power. New Castle County has not started work on the Clark Street Sewer replacement. MSC Operators have checked valve and curb boxes for damage and reported to the on-site inspector so repairs can be completed before final paving.
3. Supervisor Guyer will follow up with Mr. Ed Fisher of Del DOT in reference to the list of valve boxes that need to be repaired on the Washington Street Project which the pavement has started to fail around. Mr. Fisher was unsure if his office can require corrective action by the contractor prior to the project receiving final acceptance.

F. Cross Roads Well – Penn Farm

1. Supervisors Guyer and Jaeger continue working on the Water Allocation Permit Application for DNREC that's required for authorization to use the well.

G. CPR Construction – 3 New Homes on Meehan Avenue

1. Construction of the last 2 houses continues. MSC has not been contacted about the water services for the new homes.

H. Delaware Street Wharf – New Pier

1. Supervisor Guyer discussed with GM Patone the City moving forward with the construction of the pier. GM Patone requested the City provide contact information for the Contractor so installation of the water and electric utilities can be coordinated.

I. Battery Park Drainage Improvement Project

1. Supervisor Guyer e-mailed the Trustees Engineer Mr. Matthew Sturgis of Foresite Associates in reference to the drainage project on Battery Park. Several issues were

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noted in the design of Phase 3 where the new drain pipes cross our water main on 3rd Street. No response has been received from their engineer.

J. New Castle Foundry Apartments – 7th Street

1. Supervisor Guyer has received no response from Mr. Eric Mayer and his Engineer McBride & Ziegler in reference to installing the water main across 7th Street. GM Patone had a conversation with Mr. Mayer in reference to the project. Mr. Mayer questioned if MSC would contribute to the cost of the water and electric service extension. GM Patone reviewed the MSC's policy in reference to all costs associated with the extension of water and electric service are born by the developer.

K. Riverwalk Apartments – 7th Street

1. Supervisor Guyer has had several conversations with Mark Sigmund of Blake Vaughan Engineering about the preliminary water system plans and individual metering of the units for the Riverwalk Apartment complex. Mr. Sigmund was receptive to the MSC metering each unit and was confident they could accommodate the meters in a mechanical room. He will be scheduling a predesign meeting in the near future with the MSC and City Building Official.

L. City Street Repaving

1. Supervisor Guyer and GM Patone will be contacting the City in reference to their plans for City Street Repaving this year. The proposed list has several potential conflicts with areas where MSC had work planned.

2. Operations

A. Outages, Reporting, and Regulations

1. There were 2 planned water outages and no unplanned water outages for the month of June. The outage report is attached.

B. Repairs and Maintenance

1. Water Operators have been performing routine maintenance on the curb boxes and valve boxes as needed.

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2. Keystone Engineering Group completed the work associated with the Artesian 40HP Pump on June 21st and 22nd and tested OK. The new SCADA System logic now allows our system to continue running to supply Artesian Water when our system is full and shuts down.
3. Supervisor Guyer has MBA Tank scheduled to complete Remote Operated Vehicle (ROV) inspection of both the Gray Street Tank and Million Gallon Tank on July 15th. The inspections will be conducted in accordance with AWWA Standards. Upon completion, each tank will be removed from service, drained, and washed out per AWWA Standards.

C. Operation & Maintenance Budget, Capital Budget, and Grants

1. Supervisor Guyer has received no further communications from DEMA in reference to the Cross Roads Well and Utility Building sub-grants being closed out. Supervisor Guyer will follow up with DEMA Representatives.
2. Supervisor Guyer, Assistant Supervisor Jaeger, and GM Patone had several phone conversations with Heather Warren of the Department of Health and Social Services about applying for a \$50,000.00 Technology Grant for using the 3M Scotch Coat 2400 Spray in Liner on a water main renewal project and \$100,000.00 Asset Management Grant for expanding the mapping abilities of our current system.

D. Equipment

1. Truck – 11 had new tires installed.
2. A full service was completed on the John Deere Backhoe by Jesco.

E. Perfluorinated Compounds – PFC Contamination

1. GM Patone is working with the USDA in reference to the Grant.
2. MSC Operators and Linemen completed paving at the School Lane Treatment Facility on July 6th and 7th. M & M Paving was contracted to assist our crews with paving on both days. M & M Paving will forward an invoice for their work.
3. Keystone Engineering Group (KEGI) completed the radio system performance survey on June 28th and 29th. KEGI submitted a draft report to MSC for review on July 6th. The report outlined the issues of foliage growth that has caused communication issues at

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

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Water Department Commission Meeting Report

July 20, 2016

Prepared By: Jay Guyer on July 15, 2016

Basin Road Well and Frenchtown Road Well. Additionally, the amount of data and timing of it being sent is causing some data collision issues between sites. Their proposal and solution to the issues are to raise the antennas at BR Well and FTR Well 15ft to clear the foliage and to add additional SCADA logic for data recording, transmission, syncing, and frequency. Supervisor Guyer and Jaeger are reviewing the options and further discussing internally and with KEGI.

4. Supervisor Guyer is working with Calgon Carbon's Marketing Manager Doug Conley on a Case Study presentation reviewing MSC's approach to addressing the PFC contamination found in our water supply. Answers to 14 questions are being completed and will be reviewed with GM Patone prior to being returned to Mr. Conley.

F. Water Quality Testing

1. PFC Contamination – On June 15th, a sample was collected from Cross Roads Well raw water to establish base levels of PFC contamination. On July 11th, Supervisor Guyer received the results for the CR Well PFC testing which had a PFOS level of 0.86ppb and PFOA level of 0.18ppb. These levels are comparable to the levels detected in School Lane Well water and Frenchtown Road Well water from the July 2014 testing and exceeds the new US EPA Provisional Health Advisory Level of 0.07ppb. These results are prior to the raw water being treated by the carbon filtration system to remove the contaminants.
2. PFC Contamination – On June 15th, 2 water samples were collected from Carbon Vessel No. 1 to determine carbon consumption after 6 months of operation. On July 11th, Supervisor Guyer received the results for the PFC testing. Vessel 1 25% sample tap had a PFOS level of 0.0026 ppb and PFOA level of Non-Detect and Vessel 1 75% sample tap had a PFOS level of 0.0048ppb and PFOA level of 0.0059ppb, all of which were well below the new US EPA Provisional Health Advisory Level of 0.07ppb.
3. On June 15th, 1 sample was collected from the Distribution System Entry Point to ensure removal of the PFC contamination to below the new US EPA Provisional Health Advisory Level (PHA) of 0.07ppb. On July 11th, Supervisor Guyer received the results for the PFC testing. The Point of Entry sample tap had a PFOS Level of 0.26ppb and PFOA level of 0.055ppb. The PFOS level exceeded the new US EPA PHA Level of 0.07ppb however the PFOA level did not exceed the new limit. The accuracy of these results are being questioned due to the lower levels that were detected in the vessels which did not exceed the PHA Levels. On July 13th, Supervisor Guyer contacted Eurofins Lab to discuss his concerns about the results. On July 14th, Eurofins agreed to rerun the PFC testing using the same sample water they had in cold storage. On July

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15th Supervisor Guyer requested Eurofins send additional sampling supplies to resample the vessels and perform a rush test to get the sample results back in approximately 1 week. Supervisor Guyer, Assistant Supervisor Jaeger, and GM Patone have discussed the results and have contacted the Delaware Department of Health, Office of Drinking Water to advise them of the results and review our next steps forward. Additionally, Supervisor Guyer contacted Artesian Water Company to review the labs they currently use for their PFC sampling.

G. Personnel

1. There are no personnel issues to report.

3. Reporting Agencies

A. WSCC - Water Supply Coordinating Council

1. GM Patone and Supervisor Guyer are waiting for the next Sub-Committee meeting to be scheduled to review current water demands and establish projected demands through 2030.
2. The next regular WSCC meeting is scheduled for August 18, 2016.

B. WRA – Water Resource Agency

1. Supervisor Guyer sends weekly pumping data to Jerry Kauffman of University of Delaware Water Resource Agency (WRA).

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next meeting is scheduled for September 15, 2016.

D. Water Operator Advisory Council Meeting

1. The next meeting is scheduled for August 4, 2016.

End of Report

Attachments: June 2016 Water Works Report
June 2016 Water Outage Tracking Sheet